

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, JUNE 9, 2009**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone, Reservoir A, the Cotton Valley Formation, Reservoir A, the Lower Cotton Valley Zone, Reservoir A, and the Haynesville Zone, Reservoir A**, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana.

1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within these proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit operator of, and unit well for, each of the proposed units as may be appropriate.
4. To provide that with respect to any horizontal well drilled to the Haynesville Zone within these proposed units, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary or offset well will be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus of the well in the Haynesville Zone.
5. To expand the provisions of Office of Conservation Order No. 361-74, effective October 18, 2005, approving downhole combination of production from the Hosston Zone, Reservoir A, underlying HOSS RA SU82; the Cotton Valley Formation, Reservoir A, underlying CV RA SU85; and the Lower Cotton Valley Zone, Reservoir A, underlying LCV RA SU90; so as to include production from the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU68, in any well in which the ownership interests in the units from which production is combined downhole are identical.
6. To approve the downhole combination of production from the Hosston Zone, Reservoir A, underlying HOSS RA SU91; the Cotton Valley Formation, Reservoir A, underlying CV RA SU86; the Lower Cotton Valley Zone, Reservoir A, underlying LCV RA SU89; and the Haynesville Zone, Reservoir A, underlying the proposed unit HA RA SU67, or any combination thereof, in any well in which the ownership interests in the units from which production is combined downhole are identical.
7. To extend, except as in conflict herewith, the provisions of Order No. 361-L, effective July 29, 2008, as supplemented and amended by the Order No. 361-L Series of Orders, and of all applicable Statewide Orders, to the proposed additional units for the Haynesville Zone, Reservoir A.
8. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A was defined in Order No. 361-A-1, effective October 1, 1972 and was further defined in subsequent Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A was defined in Order No. 361-B, effective October 1, 1973 and was further defined in subsequent Orders of the 361-B Series of Orders.

The Lower Cotton Valley Zone, Reservoir A was defined in Order No. 361-E, effective July 16, 1996.

The Haynesville Zone, Reservoir A was defined in Order No. 361-L, effective July 29, 2008.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

5/4/09;5/7/09

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.